

Message Text

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ACTION FSE-00

INFO OCT-01 ARA-10 EUR-12 ISO-00 PER-03 ABF-01 /027 W

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R 121935Z MAR 75

FM AMEMBASSY PORT OF SPAIN

TO SECSTATE WASHDC 7504

INFO AMCONSUL BELIZE

AMEMBASSY BRIDGETOWN

AMCONSUL CURACAO

AMEMBASSY GEORGETOWN

AMCONSUL HAMILTON

AMEMBASSY KINGSTON

AMCONSUL MARTINIQUE

RUEHBHWYAMEMBASSY NASSAU 229

AMCONSUL PARAMARIBO

AMEMBASSY SANTO DOMINGO

UNCLAS PORT OF SPAIN 0576

E.O. 11652: N/A

TAGS: AFIN AFSP AAUD TD

SUBJECT: BUDGET/MANAGEMENT PROBLEMS, KINGSTON

REF: KINGSTON 859; CURACAO 144; STATE 052508

1. KINGSTON'S SUMMARY OF PROBLEMS WITH WFC SERVICING IS APT. PORT OF SPAIN HAS EXPERIENCED ALMOST IDENTICAL PROBLEMS. WE SUPPORT KINGSTON'S RECOMMENDATIONS FOR A HARD REAPPRAISAL OF THE WFC CONCEPT IN LIGHT OF THE EVIDENT DEFICIENCIES AND INEFFICIENCIES OF THE PRESENT SYSTEM.

2. SHOULD NOT POSTS REVIEW COMMON PROBLEMS, SHARE INFORMATION AND THUS LEARN WAYS TO IMPROVE OPERATIONS? UNFORTUNATELY, THE UNMISTAKEABLE TENOR OF STATE 052508 SEEMS AIMED AT DISGUIISING DIFFICULTIES AND INHIBITING A COMMON APPROACH TO OUR FUNDAMENTAL PROBLEMS. THAT THESE PROBLEMS MAY BE STRUCTURAL OR QUESTION THE FUNDAMENTAL WFC CONCEPT SHOULD NOT BE OVERLOOKED OR UNCLASSIFIED

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REJECTED CATEGORICALLY. IT IS TIME FOR A FRESH LOOK.

3. WE SEE TWO FUNDAMENTAL PROBLEMS:

(A) EFFECTIVE MANAGEMENT AND FISCAL CONTROL IS IMPEDED. FINANCIAL PLANNING IS DONE BY THE POST, ALLOTMENT DOCUMENTS ARE ISSUED TO THE POST AND THE MEANS FOR EFFECTIVE CONTROL LIE ONLY WITH POST MANAGEMENT. YET, THE OBLIGATION AND ACCOUNTING FUNCTIONS ARE IN WASHINGTON, FAR ISLOATED FROM THE POST'S PROBLEMS AND REQUIREMENTS. TIMELY REPORTS OF OBLIGATION STATUS ARE NEVER AVAILABLE. WE HAVE CABLED WFC FOR OBLIGATION STATUS REPORTS AND IN A NUMBER OF CASES NEVER RECEIVED AN ANSWER. WE FREQUENTLY CALL WFC AS THE QUARTER ENDS SO AS TO OBTAIN THE STATUS OF OUR ALLOTMENTS. THAT STATUS IS NOT AVAILABLE IMMEDIATELY AND REQUIRES FURTHER QUERIES. THE SENSATION TO US IS NOT UNLIKE DRIVING A CAR BLINDFOLDED. THE COST TO THE POST IN MAINTAINING DUMMY OBLIGATION RECORDS, QUERYING WFC AND MAKING ENDLESS ADJUSTMENTS - BECAUSE WFC USED DIFFERENT EXCHANGE RATES OR ESTIMATED RECURRING OBLIGATIONS BY DIFFERENT CRITERIA - IS CONSIDERABLE AND REDUNDANT. YET THIS EFFORT IS ESSENTIAL TO CONTROLLING OBLIGATIONS, RESPONSIBLE MANAGEMENT AND GENERATING TIMELY RESPONSES TO ARA QUERIES AND BUDGET REQUESTS.

(B) THE RESPONSIVENESS OF THE WFC PROCESSING SYSTEM WAS TOUCHED ON BY KINGSTON. WHETHER THE DELAYS ARE CAUSED BY SLOW POUCH TIME, WFC BACKLOGS OR WFC-WDC INTERFACE MATTERS LITTLE IN EFFECT. TO POST OFFICERS, VENDORS, CONTRACTORS, TRAVELLERS AND GRANTEEES OUR PRESENT SYSTEM IS UNRESPONSIVE, OFTEN INEQUITABLE IN EFFECT AND GENERALLY FRUSTRATING. IT TENDS TO ENCOURAGE POOR PROCUREMENT CONTROL THROUGH EXCESSIVE RELIANCE ON IMPRESS FUND TRANSACTIONS. IT ENGENDERS A REPUTATION OF SLOW PAYMENT AND RARELY PERMITS THE GOVERNMENT TO CAPTURE QUICK PAY DISCOUNTS. BUT, JUST AS IMPORTANT, IT IS A MAJOR RETARDANT AND FRUSTRATION IN TRYING TO MAINTAIN AND ENFOURAGE EFFICIENT AND RESPONSIVE ADMINISTRATIVE SUPPORT.

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4. ABSENCE OF COMPREHENSIVE AND CURRENT OPERATING PROCEDURES COMPOUND THESE FUNDAMENTAL PROBLEMS. WFC'S FISCAL OPERATIONS PROCEDURES AND CASHIER HANDBOOK OF APRIL 1, 1973 WAS ONLY RECENTLY RECEIVED. IT IS APPARENTLY NOT DESIGNED TO DEAL WITH THE UNIQUE NEEDS OF SMALLER FISCAL-SERVICED POSTS. OTHER OCCASIONAL NOTICES AND MEMORANDA ARE RARELY ADEQUATE TO THE TRAINING AND GUIDANCE OF LOCAL STAFF. AT THESE POSTS,

LOCAL EMPLOYEES NOT STEEPED IN DEPARTMENTAL PROCEDURES AND LACKING EXPERIENCE AT OTHER POSTS HANDLE THE BULK OF FISCAL OPERATIONS BY NECESSITY. WITH SUCH HANDICAPS ONE CAN ONLY QUESTION WHY THE SYSTEM HAS SURVIVED AS LONG AS IT HAS.

5. MANY OF THE PROBLEMS ARE CLEAR AND ARE UNDOUBTEDLY SHARED BY MANY OF THE WFC-SERVICED POSTS. IF THE DEPARTMENT DESIRES DOCUMENTATION OF THE VARIOUS FACETS OF THIS PROBLEM, PORT OF SPAIN WILL PROVIDE ADDITIONAL SUBSTANTIATION. WHETHER THE DEPARTMENT DESPATCHES EXPERTS OR FIELD OFFICERS TRAVEL TO WASHINGTON IS LESS IMPORTANT THAN THAT THESE LONG-STANDING PROBLEMS BE CAREFULLY EXAMINED AND MEANINGFUL COMPREHENSIVE IMPROVEMENTS ARE EFFECTED. PORT OF SPAIN WELCOMES THE VISIT OF EITHER MR. EVERETT OR DEPARTMENTAL BF OFFICERS. WE BELIEVE AN EFFORT TO IDENTIFY COMMON PROBLEMS WILL FURTHER THE GOALS OF IMPROVING FUNDS CONTROL AND RESPONSIVE FISCAL SERVICES AND THAT SHARED EXPERIENCE IS A VALID COMPONENT OF THE ANALYSIS REQUIRED.
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